



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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January 3, 2002

CERTIFIED RETURN RECEIPT  
7099 3400 0016 8896 4257

Lon Thomas  
Star Stone Quarries, Incorporated  
4040 South 300 West  
Salt Lake City, Utah 84107

Re: Cancellation of Reclamation Surety, Star Stone Quarries, Inc., Rosebud Mine, M/003/026, Box Elder County, Utah

Dear Mr. Thomas:

On December 17, 2001, we received notification that American Motorists Insurance Company will not renew the \$68,700 surety bond (#3SM997990) posted as reclamation surety for Star Stone Quarries, Inc., Rosebud Mine, located in Box Elder County, Utah. The surety will be cancelled effective March 18, 2002. Mr. Lynn Kunzler of my staff advised you of this situation by telephone conversation and a copy of the cancellation notice was faxed to you.

The Utah Mined Land Reclamation Act requires an adequate surety be maintained for all large mining operations until the mine site is successfully reclaimed, allowing bond release. You are hereby advised that we must receive a replacement form of surety prior to March 11, 2002, or we will be forced to go before the Board of Oil, Gas and Mining requesting immediate reclamation of the Rosebud Mine and revocation of your Rosebud Mining Permit.

Please contact me at (801) 538-5286 or Lynn Kunzler at 538-5310 within 10 days to discuss this situation further and to inform us of your intentions. Thank you for your consideration and prompt attention to this important permitting requirement.

Sincerely,

D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb

cc: John Maycock, AAG's Office  
Mike Ford, BLM, Salt Lake FO  
Mary Ann Wright, DOGM

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